

\$50 million estate

Wills with Bypass/Marital Trusts, ILIT & FLP (2011)

Both Husband and wife alive

Husband Dies

Estate Tax \$0

Wife Dies

Estate Tax \$12,500,000

Unlimited Marital Deduction

Husband
\$10,000,000
Wife
\$10,000,000

FLP
\$30,000,000 FMV
(\$15,000,000) Discount
\$15,000,000 IRS Value

Gift of premium

Bypass Trust
(For wife and children)
\$5,000,000

Marital Trust
(For wife and children)
\$20,000,000 - FMV
\$7,500,000 - Discount
\$12,500,000 - IRS Value

Wife
\$25,000,000 – FMV
\$7,500,000 – Discount
\$17,500,000 – IRS Value

ILIT
(For children)
\$12,500,000

ILIT
(For children)
\$12,500,000

Bypass Trust
(for Children)
\$5,000,000

Trust
(for Children)
\$13,750,000

Trust
(for Children)
\$18,750,000

ILIT
(For children)
\$12,500,000

\$5 million free of estate tax due to exemption

Tax: \$0

Tax: \$6.25 million

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GST Exempt up to \$5 million

GST Exempt up to \$5 million

Inside Estate

Outside Estate